



High Tide Completes Acquisition of Meta Growth

- ***Creates a Leading Canadian Cannabis Retailer with 65 Operating Retail Locations¹ and \$148 million in Annualized Revenue²***
- ***Both companies have already begun executing on post-closing integration initiatives, which are expected to result in approximately 60% of the initially identified annual synergies being realized almost immediately***
- ***High Tide to commence trading on the TSX Venture Exchange on November 19, 2020 under the same "HITI" stock symbol***

CALGARY, AB and TORONTO, ON, Nov. 18, 2020 /CNW/ - High Tide Inc. (CSE:HITI) (OTCQB: HITIF) (Frankfurt: 2LY) ("**High Tide**") and Meta Growth Corp. (TSXV: META) ("**META**") are pleased to announce that they have closed the previously announced merger between the two companies by way of a plan of arrangement (the "**Arrangement**").

Key Transaction Highlights:

- With the closing of the Arrangement, High Tide becomes the largest cannabis retailer in Canada based on 65 currently operating retail locations¹ and \$148 million of annualized revenue².
- High Tide is ranked #1 in Ontario based on nine currently operating corporate stores (following the completion of the Arrangement)³ and has two additional branded stores in the

province. High Tide is also pleased to announce that META has recently received a retail store authorization for its corporately-owned location at 698 Queen Street East in Toronto, which is situated in the trendy Riverside district. Anticipated to open on November 20, 2020, this will increase High Tide's Ontario-related portfolio to 12 operating locations.

- High Tide is also a leader in Alberta with 42 established stores following completion of the Arrangement and has a strong market presence in Manitoba and Saskatchewan.
- High Tide and META have been collaboratively executing on the combined integration plan, which is expected to result in substantial annual cost and operational synergies – approximately 60% of which is expected to be realized almost immediately.

¹ As of the date hereof, the estimated ranking is based on High Tide's operating number of fully- and jointly-owned corporate locations and branded stores as compared to the same number disclosed by its publicly-traded peers.

² Estimate is based on most recent interim financial statements of High Tide and META. On an annualized basis, the combined entity has gross profit of \$56,718,844 and a gross margin of 38%, each also based on the most recent interim financial statements of both companies.

³ As of the date hereof, the estimated ranking is based on High Tide's operating number of fully- and jointly-owned corporate locations as compared to the same number disclosed by its publicly-traded peers. High Tide currently has 8 corporately-owned stores, 1 jointly-owned store, and 2 branded stores in Ontario, as well as 12 locations in the AGCO's licensing queue.

Recent Convertible Debenture Amendments and Pro-Forma Balance Sheet

High Tide is pleased to announce that it has extended the maturity date of \$1.25 million of its convertible debentures originally due in December 2020 by 24 months in exchange for such debentureholders consenting to amend the conversion price of the debentures to \$0.22 per common share of High Tide ("**High Tide Share**"). Also, High Tide has extended the maturity date of \$1 million of its convertible debentures originally due in June 2021 on the same terms. These extensions provide further balance sheet flexibility for High Tide.

With a strong balance sheet of approximately \$15 million in cash on a post-closing basis, the combined entity is well-positioned to continue

executing on its sustainable growth strategy and maintaining its leadership position in the Canadian cannabis retail sector.

Management Commentary

"A decade of experience in the cannabis industry has led High Tide to this transformational achievement, as we begin a new era of growth by becoming Canada's largest cannabis retailer. We welcome our new employees, customers, shareholders and stakeholders into the next chapter of our story," said Raj Grover, President and Chief Executive Officer of High Tide. "We have delivered significant growth time and time again, both organically and by deploying our capital through strategic acquisitions to create immediate value for our shareholders. With over 700 employees, High Tide is contributing meaningfully to the growing strength of the cannabis industry in Canada and will continue to do so through our expansion in the US and abroad, where and when permissible under federal and local legislation. I am confident in our business strategy, and we are well positioned to deliver consistent milestones like this one into the future," added Mr. Grover.

Transaction Details

Pursuant to the terms of the Arrangement, holders of common shares of META ("**META Shares**") received 0.824 (the "**Exchange Ratio**") High Tide Shares for each META Share held. In total, High Tide acquired 237,941,274 META Shares in exchange for 196,063,610 High Tide Shares, resulting in former META shareholders holding approximately 45.0% of the total number of issued and outstanding High Tide Shares. Therefore, immediately after closing, there are currently 436,153,806 High Tide Shares issued and outstanding.

Immediately prior to the closing of the Arrangement, all directors and certain officers of META resigned, and META is now a wholly-owned subsidiary of High Tide. Current High Tide board members Raj Grover, Nitin Kaushal and Arthur Kwan will be joined by META's nominees Christian Sinclair and Michael Cosic. Accordingly, Binyomin Posen and Nader Ben Aissa have resigned to accommodate META's

nominees. As META's current Chief Financial Officer, Mr. Cosic's appointment is expected to provide continuity to the combined entity by assisting with post-closing transition and integration matters.

It is anticipated that the META Shares will be de-listed from the TSX Venture Exchange ("**TSXV**") as of the close of trading on November 18, 2020 and META intends to submit an application to the applicable securities regulators to cease being a reporting issuer and terminate its public reporting obligations.

High Tide is expected to commence trading on the TSXV on November 19, 2020. As a result of the up-listing of High Tide Shares on the TSXV, it is anticipated that the High Tide Shares will be de-listed from the Canadian Securities Exchange ("**CSE**") as of the close of trading on November 18, 2020.

Pursuant to the letter of transmittal mailed to shareholders of META as part of the materials in connection with the special meeting of shareholders of META held on October 27, 2020, in order to receive the portion of the consideration to which they are entitled, registered holders of META Shares are required to deposit their share certificate(s) representing META Shares, together with a duly completed letter of transmittal, with TSX Trust Company ("**TSX Trust**"), the depositary under the Arrangement. Shareholders whose META Shares are registered in the name of a broker, dealer, bank, trust company or other nominee must contact their nominee to deposit their META Shares.

Further information about the closing of the Arrangement is available on the SEDAR profile of High Tide on SEDAR at www.sedar.com.

Listed META Warrants and Debentures

Prior to the completion of the Arrangement, META had outstanding warrants and debentures that were, respectively, exercisable or convertible into META Shares and were listed on the TSXV:

- META.WT – warrants exercisable at a price of \$0.29 with an expiry date of February 6, 2023 (the "**Listed Warrants**") issued pursuant to a warrant indenture between META and TSX Trust dated February 6, 2020 (the "**Warrant Indenture**"); and
- META.DB – \$21,150,000 in secured convertible debentures convertible at a price of \$1.08 with a maturity date of November 30, 2021 (the "**Listed Debentures**") issued pursuant to a debenture indenture between META and TSX Trust dated November 23, 2018 (the "**Debenture Indenture**").

Following the completion of the Arrangement, the Listed Warrants, with the exception of any Listed Warrants that have been exercised prior to closing of the Arrangement, will become 40,076,412 warrants of High Tide, each exercisable for one High Tide Share at a price of \$0.35 per share until February 6, 2023. The Listed Warrants will be listed for trading as warrants of High Tide on the TSXV under the symbol "HITI.WT" on November 19, 2020, and will remain listed on the TSXV until the earliest to occur of their exercise, expiry or earlier delisting. The Listed Warrants will be delisted from trading as warrants of META as of the close of trading on November 18, 2020.

The holders of Listed Debentures owning or exercising control over more than 66 2/3% of the outstanding principal amount of Listed Debentures, have executed agreements providing for, among other things, a waiver of certain provisions of the Debenture Indenture in so far as the Arrangement constitutes a Change of Control (as defined in the Debenture Indenture), and also consented to amend the conversion price of the Listed Debentures such that, following the Arrangement, the conversion price is \$0.22 per High Tide Share. The holders also agreed to extend the maturity date of the Listed Debentures to November 30, 2022.

Following the completion of the Arrangement, the Listed Debentures, with the exception of any Listed Debentures that have been converted prior to closing of the Arrangement, will remain debt obligations of META but will become convertible into High Tide Shares. The Listed Debentures will be listed for trading as debentures of High Tide on the TSXV under the symbol "HITI.DB" on November 19, 2020 and will

remain listed on the TSXV until the earliest to occur of their conversion, expiry or earlier delisting. The Listed Debentures will be delisted from trading as debentures of META as of the close of trading on November 18, 2020.

Pursuant to the terms of the Arrangement Agreement, and as required by the Warrant Indenture and the Debenture Indenture, High Tide and META have entered into a supplemental warrant indenture and supplemental debenture indenture in respect of the Warrant Indenture governing the Listed Warrants and the Debenture Indenture governing the Listed Debentures, respectively. Copies of each of the supplemental indentures are available on High Tide's and META's respective SEDAR profiles at www.sedar.com.

Financial and Legal Advisors

ATB Capital Markets Inc. acted as financial advisor and Garfinkle Biderman LLP acted as legal counsel to High Tide. Echelon Wealth Partners Inc. acted as financial advisor and Borden Ladner Gervais LLP acted as legal counsel to META. Echelon Wealth Partners Inc. provided a fairness opinion to the board of directors of META.

About META

META is a leader in secure, safe and responsible access to legal recreational cannabis in Canada. Through its Canada-wide network of Meta Cannabis Co.[™], Meta Cannabis Supply Co.[™] and NewLeaf Cannabis[™] recreational cannabis retail stores, META enables the public to gain knowledgeable access to Canada's network of authorized Licensed Producers of cannabis. META is listed on the TSX Venture Exchange under the symbol (TSXV: META).

About High Tide

High Tide is a retail-focused cannabis company enhanced by the manufacturing and distribution of cannabis lifestyle accessories. Following completion of the Arrangement, High Tide is the largest Canadian retailer of recreational cannabis as measured by revenue,

with 65 current locations spanning Ontario, Alberta, Manitoba and Saskatchewan. Following completion of the Arrangement, High Tide's retail segment features the Canna Cabana, KushBar, Meta Cannabis Co., Meta Cannabis Supply Co. and NewLeaf Cannabis banners, with additional locations under development across the country. High Tide has been serving cannabis consumers for over a decade through its numerous lifestyle accessory businesses including e-commerce platforms Grasscity.com and CBDcity.com, and its wholesale distribution division under Valiant Distribution, including the licensed entertainment product manufacturer Famous Brandz. High Tide's strategy as a parent company is to extend and strengthen its integrated value chain, while providing a complete customer experience and maximizing shareholder value. Key industry investors in High Tide include Aphria Inc. (TSX:APHA) (NYSE:APHA) and Aurora Cannabis Inc. (NYSE:ACB) (TSX:ACB).

Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE), accepts responsibility for the adequacy or accuracy of this news release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note Regarding Forward-Looking Statements

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements with respect to accretive earnings, anticipated revenue, initially identified operational and annual cost synergies of approximately \$8-9 million associated with the acquisition of META, statements with respect to internal expectations, expectations for future growing capacity and growth plans, including costs and opportunities, the effect of the

Arrangement on the combined company and its strategy going forward, receipt of regulatory approvals, the completion of any capital project or expansions, the expectations with respect to future production costs, META ceasing to be a reporting issuer, the timing of the listing of High Tide securities on the TSXV and delisting from the CSE, and the timing of the delisting of META securities from the TSXV. Forward-looking statements are based on certain assumptions regarding High Tide and META, including expected growth, results of operations, performance, industry trends, and growth opportunities, including the provinces of Canada in which High Tide will operate going forward removing or increasing caps on the number of private retail cannabis store locations to permit its retail cannabis store growth plan. While High Tide and META consider these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements also necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving the retail cannabis markets; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the retail cannabis industries generally; income tax and regulatory matters; the ability of High Tide and META to implement their business strategies; competition; currency and interest rate fluctuations; the COVID-19 pandemic nationally and globally and the response of governments to the COVID-19 pandemic in respect of the operation of retail stores and other risks.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter. High Tide and META disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. This news release has been approved by the board of directors of each of High Tide and META. Factors that could cause anticipated opportunities and actual results to differ materially include, but are not limited to, matters referred to above and elsewhere in High Tide's and META's public filings and material change reports that will be filed in respect of this Transaction which are and will be available on SEDAR.

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For further information: High Tide Inc., Vahan Ajamian, Vice President, Capital Markets, ir@hightideinc.com, Tel. 1 (403) 770-9435

CO: Meta Growth Corp.

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